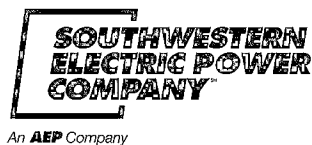




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An AEP Company

BOUNDLESS ENERGY™

Southwestern Electric
Power Company
428 Travis Street, 3rd Floor
Shreveport, LA 71101

April 29, 2022

Central Records
Public Utility Commission of Texas
1701 N. Congress Avenue
P.O. Box 13326
Austin, TX 78711

RE: Project No. 52949 – 2022 Energy Plans and Reports Pursuant to 16 TAC § 25.181

To whom it may concern:

On April 1, 2022, Southwestern Electric Power Company (SWEPCO) filed its 2022 Energy Efficiency Plan and Report (EEPR). SWEPCO has discovered that the following corrections to the EEPR were necessary:

- Page 5 – Revised Table 1 to correct information for Calendar Year 2023.
- Page 5 - Revised savings achieved from 8,842 kW and 17,417,687 kWh to 8,857 kW and 17,402,337 kWh.
- Page 13 – Revised Table 4 to correct information for Calendar Years 2021 and 2023.
- Page 14 – Revised Table 5 to correct 2022 and 2023 Commercial SOP projected energy savings from 4,198,842 kWh to 4,202,948 kWh; 2022 and 2023 Load Management SOP projected energy savings from 107,530 kWh to 107,539 kWh; 2022 and 2023 Residential SOP projected energy savings from 2,278,273 kWh to 2,278,571 kWh and 2022 and 2023 total annual energy savings from 14,039,157 kWh to 14,043,569 kWh.
- Page 17 – Revised Table 7 to correct 2021 savings achieved from 8.84 MW and 17,418 MWh to 8.86 MW and 17,402 MWh.
- Page 17 – Revised reported savings achieved at the source from 9.46 MW to 9.48MW
- Page 18 – Revised Table 8 to correct 2021 Commercial Solutions MTP reported and verified kW and kWh savings from 560 kW and 2,609,662 kWh to 557 kW and 2,599,104 kWh; 2021 Commercial SOP reported and verified savings from 1,241 kW and 6,773,997 kWh to 1,243 kW and 6,780,621 kWh; 2021 Load Management reported and verified kWh savings from 62,277 kWh to 62,282 kWh; Open MTP reported and verified savings from 256 kW and 1,091,858 kWh to 254 kW and 1,052,736 kWh; SCORE MTP reported and verified savings from 493 kW and 2,121,557 kWh to 510 kW and 2,148,909 kWh; 2021 Residential SOP reported and verified kWh savings from 2,674,238 kWh to 2,674,588 kWh and total annual savings from 8,842 kW and 17,417,687 kWh to 8,857 kW and 17,402,337 kWh.
- Page 20 – Revised total projected budget from \$4,367,484 to \$4,431,197.
- Page 20 – Revised Table 10 to correct R&D expenditures from \$95,979 to \$96,881.
- Page 21 – Revised SCORE MTP, Commercial Solutions MTP and Open MTP verified and reported kW savings from 493 kW, 560 kW and 256 kW to 510 kW, 557 kW and 254 kW.

- Page 26 – Revised Appendix A to reflect corrected savings by county for Commercial Solutions MTP from 560 kW and 2,609,662 kWh to 557 kW and 2,599,104 kWh; Commercial SOP from 1,241 kW and 6,773,997 kWh to 1,243 kW and 6,780,621 kWh; Load Management from 62,277 kWh to 62,282 kWh; Open MTP from 256 kW and 1,091,858 kWh to 254 kW and 1,052,736 kWh; SCORE MTP from 493 kW and 2,121,557 kWh to 510 kW and 2,148,909 kWh ; and Residential SOP from 2,674,238 kWh to 2,674,588 kWh.

Please find attached a revised copy of the SWEPCO 2022 EEPR which replaces the filing made on April 1, 2022.

If there are any questions regarding this filing of corrected information, please contact me at 318-673-3502.

Steve M. Mutiso

Respectfully submitted,
Steve M. Mutiso
Energy Efficiency & Consumer Programs Coordinator

Attachment

Southwestern Electric Power Company
2022 Energy Efficiency Plan and Report
16 Tex. Admin. Code §§ 25.181, 25.182 and 25.183

Amended April 29, 2022

Project No. 52949



An **AEP** Company

BOUNDLESS ENERGY™

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INTRODUCTION

Southwestern Electric Power Company (SWEPCO or Company) presents this Energy Efficiency Plan and Report (EEPR) to comply with 16 Tex. Admin. Code §§ 25.181, 25.182 and 25.183 (TAC) (EE Rule), implementing Public Utility Regulatory Act (PURA) § 39.905. As mandated by this section of PURA, the EE Rule requires that each investor-owned electric utility achieve the following minimum goals through market-based standard offer programs (SOPs), targeted market transformation programs (MTPs) or other utility self-delivered programs. 16 TAC § 25.181(e)(1) provides in pertinent part as follows:

- (e)(1) An electric utility shall administer a portfolio of energy efficiency programs to acquire, at a minimum, the following:
 - (A) Beginning with the 2013 program year, until the trigger described in subparagraph (B) of this paragraph is reached, the utility shall acquire a 30% reduction of its annual growth in demand of residential and commercial customers.
 - (B) If the demand reduction goal to be acquired by a utility under subparagraph (A) of this paragraph is equivalent to at least four-tenths of 1% of its summer weather-adjusted peak demand for the combined residential and commercial customers for the previous program year, the utility shall meet the energy efficiency goal described in subparagraph (C) of this paragraph for each subsequent program year.
 - (C) Once the trigger described in subparagraph (B) of this paragraph is reached, the utility shall acquire four-tenths of 1% of its summer weather-adjusted peak demand for the combined residential and commercial customers for the previous program year.
 - (D) Except as adjusted in accordance with subsection (u) of this section, a utility's demand reduction goal in any year shall not be lower than its goal for the prior year, unless the commission establishes a goal for a utility pursuant to paragraph (2) of this subsection.

The EE Rule includes specific requirements related to the implementation of SOPs and MTPs that control the manner in which electric utilities must administer their portfolio of energy efficiency programs in order to achieve their mandated annual demand reduction goals. SWEPCO's Plan enables it to meet its statutory goals through implementation of energy efficiency programs in a manner that complies with PURA §39.905 and the EE Rule. This EEPR covers the periods of time as required in the EE Rule. The following section describes the information that is contained in each of the subsequent sections and appendices.

EEPR ORGANIZATION

This EEPR consists of an Executive Summary, thirteen sections, a list of acronyms and three appendices.

Executive Summary

- Summarizes SWEPCO's plans for achieving its goals and projected energy efficiency savings for Program Years 2022 and 2023 and highlights SWEPCO's achievements for Program Year 2021.

Energy Efficiency Plan

- Section I describes SWEPCO's program portfolio. It details how each program will be implemented and presents related informational and outreach activities.
- Section II describes SWEPCO's targeted customer classes, the estimated size of each class and the method used in determining those class sizes.
- Section III presents SWEPCO's demand and energy goals and projected savings for the prescribed planning period detailed by program for each customer class.
- Section IV describes SWEPCO's proposed energy efficiency budgets for the prescribed planning period detailed by program for each customer class.

Energy Efficiency Report

- Section V documents SWEPCO's demand reduction goal for each of the previous five years (2017-2021) based on its weather-adjusted peak demand.
- Section VI compares SWEPCO's projected energy and demand savings to its reported and verified savings by program for calendar years 2020 and 2021.
- Section VII details SWEPCO's incentive and administration expenditures for each of the previous five years (2017-2021) detailed by program for each customer class.
- Section VIII compares SWEPCO's actual 2021 expenditures with its 2021 budget by program for each customer class. It identifies funds committed but not expended and funds remaining and not committed. It also explains any cost deviations of more than 10% from SWEPCO's overall program budget.
- Section IX describes the results from SWEPCO's MTPs.
- Section X documents SWEPCO's Research and Development activities.
- Section XI documents SWEPCO's 2022 Energy Efficiency Cost Recovery Factor (EECRF).
- Section XII provides a summary of the 2021 EECRF.
- Section XIII documents SWEPCO's Underserved Counties.

Acronyms

- A list of abbreviations for common terms used within this document.

Appendices

- Appendix A – Reported and Verified Demand and Energy Reduction by County.
- Appendix B – Program Templates.
- Appendix C – Optional Supporting Documentation.

EXECUTIVE SUMMARY

The Energy Efficiency Plan (Plan) portion of this EEPR discusses how SWEPCO intends to achieve savings of at least a 30% reduction in its annual growth in demand of residential and commercial customers by December 31, 2022. SWEPCO's Plan addresses achieving the corresponding calculated energy savings goal, which is derived from its demand savings goal each year using a 20% conservation load factor [in accordance with 16 TAC § 25.181(e)(4)]. The goals, budgets and implementation procedures that are included in this Plan are consistent with the requirements of the EE Rule, using lessons learned from past experience and customer participation in the various historical energy efficiency programs. A summary of SWEPCO's projected annual goals and budgets is presented in Table 1.

Table 1: Summary of Goals, Projected Savings (at the Meter)¹ and Proposed Budgets

Calendar Year	Average Growth in Demand (MW)	Average Peak Demand (MW)	Goal Metric: 30% Growth (MW)	Goal Metric: 0.4% Peak Demand (MW)	Peak Demand Goal (MW)	Energy Goal (MWh)	Projected Demand Reduction (MW)	Projected Energy Savings (MWh)	Projected Budget (000's)*
2022	13.50	1,234	4.05	4.94	5.60	9,811	11.73	14,044	\$4,431
2023	-4.08	1,230	-1.22	4.92	5.60	9,811	11.73	14,044	\$4,404

*The 2022 and 2023 Projected Budgets include costs associated with Evaluation, Measurement & Verification (EM&V) activities.

The Energy Efficiency Report portion demonstrates that in 2021 SWEPCO cost-effectively implemented SOPs and MTPs as provided for by PURA §39.905. SWEPCO exceeded its demand and energy reduction goals to be achieved by December 31, 2021 by procuring 8,857 kW and 17,402,337 kWh at a total cost of \$4,179,127. Programs in 2021 included the Commercial Solutions MTP, Commercial SOP, Hard-to-Reach SOP, Load Management SOP, Residential SOP, Schools Conserving Resources MTP, and the Open MTP.

¹ Average Growth in Demand figures are from Table 4; Projected Savings from Table 5; Projected Budgets from Table 6.

ENERGY EFFICIENCY PLAN

I. 2022 PROGRAMS

A. 2022 Program Portfolio

SWEPCO has implemented a variety of programs in 2022 to enable the Company to meet its goals in a manner that complies with PURA § 39.905 and the EE Rule. These programs target broad market segments and specific market sub-segments with significant opportunities for cost-effective energy savings.

Table 2 below summarizes SWEPCO's programs and targeted customer class markets for Program Year 2022. The programs are described in further detail in Subsection D. SWEPCO maintains a website containing all of the requirements for energy efficiency service provider (EESP) or project sponsor participation; the Energy Efficiency Evaluation, Measurement & Verification (EM&V) guidelines; and links to the program manuals in the Contractor Center at [SWEPCO.com/Save](https://www.swepco.com/Save). This site is the primary method of communication to provide program updates and information to customers, potential EESPs and other interested parties.

Table 2: 2022 Energy Efficiency Program Portfolio

Program	Target Market	Application	Link to Program Manual
Commercial Solutions MTP	Commercial	Retrofit/New Construction	https://www.swepco.com/savings/contractor-center/
Commercial SOP	Commercial	Retrofit/New Construction	https://www.swepco.com/savings/contractor-center/
Hard-to-Reach SOP	Low-Income Residential	Retrofit	https://www.swepco.com/savings/contractor-center/
Load Management SOP	Commercial	Retrofit	https://www.swepco.com/savings/contractor-center/
Open MTP	Commercial	Retrofit	https://www.swepco.com/savings/contractor-center/
Residential SOP	Residential	Retrofit/New Construction	https://www.swepco.com/savings/contractor-center/
SCORE MTP	Commercial	Retrofit/New Construction	https://www.swepco.com/savings/contractor-center/

B. Implementation Process

MTPs are managed by third-party implementers. These program implementers design, market and execute the applicable MTP. Based on the specific MTP, the implementer may perform outreach activities to recruit local contractors and provide participating contractors with specialized education, training/certification and tools as necessary. Implementers validate proposed measures and projects, perform quality assurance/quality control, and verify and report savings derived from the program.

SOPs are administered by the utility with project sponsors providing eligible program measures. Project sponsors are usually EESPs or SWEPCO customers. A SWEPCO customer can act as an EESP if it is a commercial customer with a peak load equal to or greater than 50 kW. SWEPCO monitors projects being submitted so as to not accept duplicate enrollments.

C. Outreach Activities

Various outreach activities are conducted, depending on the targeted program. Many of these activities are the same for several programs. For this reason, SWEPCO's outreach activities are grouped together below.

- Maintain internet webpages with detailed project eligibility, end-use measures, incentives, procedures and application forms;
- Send direct emails to inform and update potential project sponsors on SWEPCO energy efficiency program opportunities;
- Participate in local, regional and industry-related outreach activities as necessary;
- Target SWEPCO customers with demand and energy savings opportunities;
- Conduct workshops, as necessary, to explain the program, project sponsor implementation, reporting requirements and incentive information;
- Contract with a third-party implementer to conduct outreach, planning activities and recruit additional subcontractors;
- Conduct specific project sponsor training sessions, as necessary, based on the energy efficiency programs being implemented; and
- Facilitate media opportunities to spotlight successful projects and/or interesting stories as applicable.

Additional outreach activities occur as the opportunity arises.

D. Description of Existing Programs

Commercial Solutions Market Transformation Program (CS MTP)

SWEPCO's CS MTP targets commercial customers (other than public schools) served by SWEPCO that do not have the in-house capability or expertise to: 1) identify, evaluate and undertake energy efficiency improvements; 2) properly evaluate energy efficiency proposals from vendors; and/or 3) understand how to leverage their energy savings to finance projects. The CS MTP facilitates the identification of demand and energy savings opportunities, general operating characteristics, long-range energy efficiency planning and overall measure acceptance by the targeted customers. Incentives are paid to EESPs or customers for eligible energy efficiency measures that are installed in new or retrofit applications that result in verifiable demand and energy savings.

Commercial Standard Offer Program (CSOP)

The CSOP targets commercial customers (other than public schools) of all sizes, providing incentives for new construction and retrofit installation of measures that reduce demand and save energy in non-residential facilities. The CSOP encourages electric energy efficiency improvements that go above and beyond the efficiency gains typically achieved in retrofit or replacement projects. Energy and demand savings will be based only on reductions that exceed current state and federal minimum efficiency standards, if such standards apply. Incentives are paid to EESPs or customers on the basis of deemed savings or verified demand and energy savings.

Hard-to-Reach Standard Offer Program (HTR SOP)

The HTR SOP targets residential customers in existing homes with total annual household incomes at or below 200% of current federal poverty guidelines and who have properly completed a Public Utility Commission of Texas (Commission) approved income verification form, or who have been designated as HTR-eligible through another Commission-approved verification methodology. Incentives are paid to project sponsors for eligible measures installed in retrofit applications that result in verifiable demand and energy savings. Project comprehensiveness is encouraged and customer education regarding energy conservation behavior is provided through materials distributed by project sponsors.

Load Management Standard Offer Program (LM SOP)

The LM SOP targets commercial customers with a peak electric demand of 500 kW or more. Incentive payments are based on measured and verified demand reduction of curtailed loads during the summer peak period. Load management events are dispatched by SWEPCO, using a one-hour-ahead notice for load reduction periods of one to four hours duration.

Open Market Transformation Program (Open MTP)

The Open MTP has been developed to offer energy efficiency services to small commercial customers with peak demands less than 100 kW. This customer group is the segment least served by SWEPCO's SOPs or MTPs. The Open MTP is designed to overcome barriers unique to small commercial customers that prevent them from participating in energy efficiency programs proven to be successful for larger business owners. These barriers include:

- Minimal technical knowledge among small business owners;
- Concerns about performance uncertainty and hidden costs;
- Owner/tenant challenges;
- Lack of capital, expertise and staff; and
- Inadequate information or the inability to research costs.

To overcome these barriers, the program offers a turnkey approach in which marketing, energy education, site-specific energy analysis, financial incentives, equipment procurement and installation can be provided.

Residential Standard Offer Program (RSOP)

The RSOP targets all residential customers, paying incentives to project sponsors for eligible measures installed in new and retrofit applications that result in verified demand and energy savings. Project comprehensiveness is encouraged. The following requirements must be reported in order to claim early retirement savings from residential HVAC projects:

- Photos of gauges showing the existing unit in full functional status;
- The age of the existing unit;
- Photo of the existing unit nameplate;
- Model number, serial number and manufacturer of the existing unit;
- The sizing of the new unit must be less than or equal to that of the existing unit; and
- Customer responses to a survey questionnaire documenting the condition of the existing unit and customer motivation for unit replacement.

Schools Conserving Resources Market Transformation Program (SCORE MTP)

The SCORE MTP provides energy efficiency and demand reduction solutions for public and private educational entities grades K-12 as well as colleges and universities. This program is designed to help educate and assist these customers in lowering their energy use by integrating energy efficiency into their short- and long-term planning, budgeting and operational practices. The program assists with the identification of demand and energy savings opportunities, and provides detailed energy use, detailed building operational characteristics and long-range energy efficiency planning. Incentives are paid to participating customers for eligible energy efficiency measures that are installed in new or retrofit applications that provide verifiable demand and energy savings.

E. New Programs for 2022

SWEPCO has no new programs for 2022.

F. Discontinued Programs

SWEPCO has no discontinued programs for 2022.

II. CUSTOMER CLASSES

SWEPCO's energy efficiency programs target residential and commercial customer classes. SWEPCO's energy efficiency programs also target customer sub-classes, including Low-Income and Schools. The annual projected savings targets are allocated among these customer classes and sub-classes by examining historical program results and by evaluating economic trends, in compliance with 16 TAC § 25.181(e)(3)(A). Table 3 summarizes the number of active customers in each eligible customer class at SWEPCO in the month of January 2022. It should be noted that the actual distribution of the annual goal to be achieved and budget required to achieve the goal must remain flexible based upon the conditions of the marketplace, the potential interest a customer class may have in a specific program and the overriding objective of meeting SWEPCO's mandated demand reduction goal in total. SWEPCO offers a varied portfolio of SOPs and MTPs such that all eligible customer classes have access to energy efficiency alternatives.

Table 3: Summary of Customer Classes

Customer Class	Number of Customers
Commercial	30,400
Residential	152,500
Hard-to-Reach ²	47,885

* The Hard-to-Reach customer count is a subset of the Residential total.

² According to the U.S. Census Bureau's 2020 Current Population Survey, 31.4% of Texas families fell below 200% of the poverty threshold in 2020. Applying that percentage to the SWEPCO's residential customer base of 152,500, the number of HTR customers is estimated to be 47,885.

III. ENERGY EFFICIENCY GOALS AND PROJECTED SAVINGS

As prescribed by the EE Rule, SWEPCO's annual demand reduction goal is specified as a percent of its historical, weather-normalized, five-year average growth in demand. SWEPCO's 2022 goal is calculated based upon the average annual growth in peak demand for the years 2016 through 2020, inclusive (the most recent historical load growth data available). SWEPCO's 2023 goal is calculated based upon the average annual growth in peak demand for the years 2017 through 2021, inclusive (the most recent historical load growth data available).

SWEPCO's demand reduction goal to be achieved is prescribed by the EE Rule to be at least 30% of this calculated annual growth in demand of residential and commercial customers. The corresponding annual energy savings goal is determined by applying a 20% conservation load factor to the applicable demand reduction goal for the Program Year. A utility's demand reduction goal in megawatts for any year cannot be less than the previous year's goal.

Table 4 presents the actual historical annual growth in demand for the previous five years used to calculate SWEPCO's goals.

Table 4: Annual Growth in Demand and Energy Consumption

Calendar Year	Peak Demand (MW) @ Source						Energy Consumption (GWh) @ Meter				Energy Efficiency Goal Calculations			
	Total System		Residential & Commercial				Total System		Residential & Commercial					
	Actual	Weather Adjusted	Actual	Weather Adjusted	Opt-Out	Peak Demand at Source Net Opt-outs	Actual	Weather Adjusted	Actual	Weather Adjusted	Peak Demand at Meter*	Load Growth at Meter	5 Year Average Growth at Meter	30% Growth at Meter
2017	1,417	1,551	1,284	1,418	-102	1,316	7,142	7,191	5,280	5,329	1,216	-37.76	NA	NA
2018	1,488	1,543	1,363	1,417	-97	1,320	7,378	7,291	5,488	5,401	1,219	3.51	NA	NA
2019	1,470	1,574	1,329	1,432	-100	1,332	7,233	7,224	5,431	5,421	1,230	11.08	NA	NA
2020	1,398	1,548	1,293	1,443	-93	1,350	6,685	6,877	5,077	5,270	1,251	20.54	NA	NA
2021	1,398	1,485	1,296	1,383	-64	1,319	6,746	6,720	5,346	5,320	1,233	-17.79	-0.78	-0.23
2022	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	13.50	4.05
2023	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	-4.08	-1.22

*Line losses are derived from the loss factors determined in SWEPCO's most recent line loss study.

Table 5 presents the projected demand reduction and energy savings, by program, for each customer class and for each of the years 2022 and 2023. Projected savings reflect the estimated demand and energy savings that SWEPCO's programs are expected to achieve with fully developed program budgets for each of the years shown.

**Table 5: Projected Demand and Energy Savings by Program for Each Customer Class
For 2022 and 2023 (at the Meter)**

2022	Projected Savings	
Customer Class and Program	Demand (kW)	Energy (kWh)
Commercial	9,598	10,220,831
Commercial Solutions MTP	490	2,112,275
Commercial SOP	836	4,202,948
Load Management SOP	7,201	107,539
Open MTP	251	1,029,100
SCORE MTP	820	2,768,969
Residential	1,168	2,278,571
Residential SOP	1,168	2,278,571
Hard-to-Reach	962	1,544,167
Hard-to-Reach SOP	962	1,544,167
Total Annual Projected Savings	11,728	14,043,569

2023	Projected Savings	
Customer Class and Program	Demand (kW)	Energy (kWh)
Commercial	9,598	10,220,831
Commercial Solutions MTP	490	2,112,275
Commercial SOP	836	4,202,948
Load Management SOP	7,201	107,539
Open MTP	251	1,029,100
SCORE MTP	820	2,768,969
Residential	1,168	2,278,571
Residential SOP	1,168	2,278,571
Hard-to-Reach	962	1,544,167
Hard-to-Reach SOP	962	1,544,167
Total Annual Projected Savings	11,728	14,043,569

IV. PROGRAM BUDGETS

Table 6 presents total projected budget allocations required to meet SWEPCO's projected demand and energy savings to be achieved for the Program Years 2022 and 2023. The budget allocations are defined by the overall projected demand and energy savings, the avoided costs of capacity and energy specified in the EE Rule, the allocation of demand goals among customer classes and the incentive levels by customer class. Table 6 budget allocations are detailed by customer class, program and in the following budget categories: incentive payments; administration; research and development (R&D); and evaluation, measurement and verification (EM&V).

Table 6: Projected Annual Budget by Program for Each Customer Class

2022	Incentives	Admin	R&D	EM&V	Total Budget
Commercial	\$1,770,000	\$296,014			\$2,066,014
Commercial Solutions MTP	\$310,000	\$54,706			\$364,706
Commercial SOP	\$548,000	\$114,706			\$662,706
Load Management SOP	\$250,000	\$44,118			\$294,118
Open MTP	\$250,000	\$27,778			\$277,778
SCORE MTP	\$412,000	\$54,706			\$466,706
Residential	\$1,150,000	\$202,941			\$1,352,941
Residential SOP	\$1,150,000	\$202,941			\$1,352,941
Hard-to-Reach	\$700,000	\$123,529			\$823,529
Hard-to-Reach SOP	\$700,000	\$123,529			\$823,529
R&D			\$125,000		\$125,000
EM&V				\$63,713	\$63,713
TOTAL BUDGET	\$3,620,000	\$622,484	\$125,000	\$63,713	\$4,431,197

2023	Incentives	Admin	R&D	EM&V	Total Budget
Commercial	\$1,770,000	\$296,014			\$2,066,014
Commercial Solutions MTP	\$310,000	\$54,706			\$364,706
Commercial SOP	\$548,000	\$114,706			\$662,706
Load Management SOP	\$250,000	\$44,118			\$294,118
Open MTP	\$250,000	\$27,778			\$277,778
SCORE MTP	\$412,000	\$54,706			\$466,706
Residential	\$1,150,000	\$202,941			\$1,352,941
Residential SOP	\$1,150,000	\$202,941			\$1,352,941
Hard-to-Reach	\$700,000	\$123,529			\$823,529
Hard-to-Reach SOP	\$700,000	\$123,529			\$823,529
R&D			\$125,000		\$125,000
EM&V				\$36,796	\$36,796
TOTAL BUDGET	\$3,620,000	\$622,484	\$125,000	\$36,796	\$4,404,280

ENERGY EFFICIENCY REPORT

V. HISTORICAL DEMAND AND ENERGY SAVINGS GOALS FOR THE PREVIOUS FIVE YEARS

Table 7 contains SWEPCO's actual demand and energy goals, and actual savings achieved for the previous five years (2017-2021) calculated in accordance with the EE Rule.

Table 7: Historical Demand and Energy Goals* and Savings Achieved (at the Meter)

Calendar Year	Actual Weather Adjusted Demand Goal (MW)	Actual Weather Adjusted Energy Goal (MWh)	Savings Achieved (MW)	Savings Achieved (MWh)
2017	5.6	9,811	13.63	18,875
2018	5.6	9,811	13.97	17,084
2019	5.6	9,811	11.83	16,359
2020	5.6	9,811	10.52	16,246
2021	5.6	9,811	8.86**	17,402

* Actual weather-adjusted MW and MWh goals as reported in SWEPCO's EEPRs filed in years 2017-2021.

** Reported savings achieved at the source are 8.86 MW ($8.86 \times \frac{1}{(1-6.51\%)}$) = 9.48 MW.

VI. PROJECTED, REPORTED AND VERIFIED DEMAND AND ENERGY SAVINGS

**Table 8: Projected versus Reported and Verified Savings for 2021 and 2020
(at the Meter)**

2021	Projected Savings		Reported and Verified Savings	
Customer Class and Program	kW	kWh	kW	kWh
Commercial	7,173	10,228,233	6,401	12,643,652
Commercial Solutions MTP	490	2,112,775	557	2,599,104
Commercial SOP	942	4,909,354	1,243	6,780,621
Load Management SOP	5,000	65,229	3,837	62,282
Open MTP	251	1,029,100	254	1,052,736
SCORE MTP	490	2,112,775	510	2,148,909
Residential	788	1,218,638	1,262	2,674,588
Residential SOP	788	1,218,638	1,262	2,674,588
Hard-to-Reach	496	708,664	1,194	2,084,098
Hard-to-Reach SOP	496	708,664	1,194	2,084,098
Total Annual Savings	8,457	12,155,535	8,857	17,402,337

2020	Projected Savings		Reported and Verified Savings	
Customer Class and Program	kW	kWh	kW	kWh
Commercial	7,173	10,229,233	6,991	10,383,325
Commercial Solutions MTP	490	2,112,775	653	2,840,667
Commercial SOP	942	4,909,354	815	4,550,713
Load Management SOP	5,000	65,229	4,889	46,874
Open MTP	251	1,029,100	263	1,140,553
SCORE MTP	490	2,112,775	372	1,804,518
Residential	2,122	3,237,760	2,217	3,829,219
Residential SOP	2,122	3,237,760	2,217	3,829,219
Hard-to-Reach	1,057	1,545,630	1,311	2,033,741
Hard-to-Reach SOP	1057	1,545,630	1,311	2,033,741
Total Annual Savings	10,352	15,012,623	10,519	16,246,285

VII. HISTORICAL PROGRAM EXPENDITURES

This section documents SWEPCO's incentive and administration expenditures for the previous five years (2017-2021) detailed by program for each customer class.

Table 9: Historical Program Incentive and Administrative Expenditures for 2017 through 2021 (\$000's)

	2021		2020		2019		2018		2017	
Commercial	Incent	Admin	Incent	Admin	Incent	Admin	Incent	Admin	Incent	Admin
CS MTP	\$343.23	\$40.59	\$378.07	\$43.43	\$294.60	\$40.82	\$298.61	\$32.88	\$418.46	\$32.17
CSOP	\$689.29	\$143.11	\$475.78	\$123.71	\$534.46	\$104.32	\$453.71	\$104.15	\$622.81	\$74.45
Load Management SOP	\$112.89	\$18.92	\$144.69	\$26.23	\$154.48	\$28.81	\$191.63	\$34.32	\$307.79	\$16.41
Open MTP	\$248.71	\$38.54	\$248.26	\$36.33	\$247.62	\$22.32	\$249.99	\$23.98	\$249.24	\$21.80
SCORE MTP	\$309.13	\$30.23	\$261.01	\$32.05	\$312.07	\$45.23	\$316.21	\$41.19	\$220.80	\$28.42
Residential										
LED Instore Rebate	NAP	NAP	NAP	NAP	NAP	NAP	NAP	NAP	\$187.25	\$9.03
RSOP	\$1,052.44	\$156.83	\$1,138.80	\$192.01	\$999.48	\$160.17	\$1,050.23	\$137.43	\$845.14	\$117.23
Hard-to-Reach										
HTR SOP	\$736.59	\$99.36	\$729.48	\$98.55	\$699.00	\$107.98	\$775.12	\$97.17	\$834.95	\$100.97
R&D	NAP	\$96.88	NAP	\$135.42	NAP	\$145.48	NAP	\$141.22	NAP	\$134.38
EM&V	NAP	\$62.38	NAP	\$70.93	NAP	\$64.45	NAP	\$56.24	NAP	\$62.73
Total Expenditures	\$3,492.28	\$686.84	\$3,376.07	\$758.67	\$3,241.71	\$719.58	\$3,335.50	\$668.58	\$3,686.44	\$597.59

VIII. PROGRAM FUNDING FOR CALENDAR YEAR 2021

As shown in Table 10, the Total Projected Budget for 2021 was \$4,431,197. Total Funds Expended for 2021 were \$4,179,127. This is an overall total program expenditure difference of less than 10% from the amount budgeted.

The following individual program expenditures differed from their respective proposed budgets by more than 10% as explained below.

The Residential SOP did not fully utilize its budget due to lower than expected performance related to supply chain impacts caused by the COVID-19 pandemic.

Load Management SOP did not fully utilize its budget due to customers underperforming (less kW reduction) during actual curtailment events compared to their projected kW reduction amount. This can be attributed to the effects of the COVID-19 pandemic. Uncertainty of production schedules contributed to two customers not being able to participate in two called events.

Table 10: Program Funding for Calendar Year 2021

2021	Number of Participating ESI ID Accounts	Total Projected Budget	Actual Funds Expended (Incentives)	Admin	R&D	EM&V	Total funds Expended
Commercial	106	\$2,066,014	\$1,697,789	\$271,396			\$1,974,645
Commercial Solutions MTP	29	\$364,706	\$343,226	\$40,588			\$383,814
Commercial SOP	30	\$764,706	\$689,290	\$143,111			\$832,401
Load Management SOP	6	\$294,118	\$112,887	\$18,922			\$131,809
Open MTP	31	\$277,778	\$243,409	\$38,544			\$287,258
SCORE MTP	10	\$364,706	\$308,977	\$30,230			\$339,207
Residential	1,573	\$1,352,941	\$1,052,441	\$156,829			\$1,209,270
Residential SOP	1,573	\$1,352,941	\$1,052,441	\$156,829			\$1,209,270
Hard-to-Reach Residential	878	\$823,529	\$736,493	\$99,355			\$835,948
Hard-to-Reach SOP	878	\$823,529	\$736,493	\$99,355			\$835,948
R&D		\$125,000			\$96,881		\$96,881
EM&V		\$63,713				\$62,383	\$62,383
Total	2,557	\$4,431,197	\$3,492,283	\$527,580	\$96,881	\$62,383	\$4,179,127

IX. MARKET TRANSFORMATION PROGRAM RESULTS

SCORE MTP

The SCORE MTP that is implemented by a third party contractor provided non-cash incentives, such as building energy analyses, technical assistance and communications support, as well as monetary incentives for the installation of documented energy efficiency measures that reduce peak demand and energy use. In 2021, SWEPCO projected to acquire 490 kW in demand savings from this program. SWEPCO has verified and reported savings of 510 kW. This included participation by 10 customers in six counties.

Commercial Solutions MTP

SWEPCO contracted with a third-party program implementer for the Commercial Solutions MTP to provide commercial facilities non-cash incentives, such as technical assistance to identify energy efficiency opportunities, education in promoting best practices and communication support services. Program participants received cash incentives for the installation of documented energy efficiency measures that reduced peak demand and energy consumption. For 2021, SWEPCO projected to acquire 490 kW of demand savings from this program. SWEPCO's verified and reported results are 557 kW. This included participation by 29 customers in twelve different counties.

Open MTP

The Open MTP contractor provided small commercial customers with less than 100 kW demand non-cash incentives such as technical assistance to identify energy efficiency opportunities and education in promoting best practices. The direct install program provided a turnkey approach, providing participants cash incentives for the installation of documented energy efficiency measures that reduced peak demand and energy consumption. For 2021, SWEPCO projected 251 kW of demand savings from this program. SWEPCO's verified and reported results are 254 kW. This included participation by 31 customers in seven different counties.

X. ADMINISTRATIVE AND RESEARCH AND DEVELOPMENT COSTS

Administrative Costs

Administrative costs incurred by SWEPCO to meet its energy efficiency goals and objectives include, but may not be limited to, energy efficiency employees' payroll, marketing, costs associated with regulatory filings, and EM&V costs outside of the actual cost associated with the EM&V contractor. Any portion of these costs which are not directly assignable to a specific program are allocated among the programs in proportion to the program incentive costs.

Program Research and Development

R&D activities are intended to help SWEPCO meet future energy efficiency goals by researching new technologies, program options and developing better, more efficient ways to administer current programs. In 2021 SWEPCO dedicated resources to enhance electronic data collection and management system for current programs. In addition, SWEPCO participated with Electric Utility Marketing Mangers of Texas (EUMMOT) in researching potentially new deemed savings measures for various programs.

XI. 2022 ENERGY EFFICIENCY COST RECOVERY FACTOR (EECRF)

In Commission Docket No. 52073, SWEPCO received approval to recover the following:

- \$4,367,484 Cost of SWEPCO's Energy Efficiency programs projected for 2022
- \$2,066,789 Performance bonus for 2020 savings achievement
- \$-69,476 SWEPCO's over-recovery of its actual energy efficiency program costs for 2020
- \$63,713 Projected EM&V costs
- \$11,850 SWEPCO's rate-case expenses

Approval was granted for a total revenue requirement of \$6,440,360.

The adjusted rates, as given in Table 11, went into effect on January 1, 2022.

Table 11: 2022 EECRF

Customer Class	Factor per kWh
Residential	\$ 0.001744
General Service	\$ 0.000435
Municipal Service	\$ 0.001386
Municipal Pumping	\$ 0.000153
Lighting and Power	\$ 0.001073
Cotton Gin	\$ (0.000109)
Electric Furnace/Metal Melting <69kV	\$ 0.005151
Oil Field Large Industrial Power	\$ (0.0001006)
Large L & P<69kV	\$ -
Lighting	\$ -

XII. 2021 EECRF SUMMARY

Revenue Collected Through EECRF

Table 12 below outlines a summary of SWEPCO's 2021 EECRF including costs, performance bonus, prior year's over recovery and current year's under recovery.

Table 12: Under Recovery of Energy Efficiency Costs in 2021

	Authorized per Docket No. 50805	Actual Expenses
2021 Program Costs	\$ 4,367,484	\$ 4,116,743
2021 EM&V costs	\$ 64,446	\$ 62,383
2019 (Over)/Under Recovery	\$ (180,559)	\$ (180,559)
2019 Bonus	\$ 975,673	\$ 975,673
Other		\$ (5,813)
2021 Total Costs & Bonus	\$ 5,097,476	\$ 4,981,417
2021 EECRF Revenue		\$ 4,947,670
2021 (Over)/Under Including Interest		\$ 33,747

XIII. UNDERSERVED COUNTIES

An underserved county is defined by SWEPCO as any county that did not report demand or energy savings through any of the 2021 SOPs or MTPs. Per 16 TAC § 25.181(I)(2)(U), a list of the 2021 Underserved Counties is shown in Table 13:

Table 13: Underserved Counties

Childress	Collingsworth	Donley	Hall
Red River	Van Zandt	Wheeler	

ACRONYMS

A/C	Air Conditioning
COMMISSION	Public Utility Commission of Texas
CS MTP	Commercial Solutions Market Transformation Program
CSOP	Commercial Standard Offer Program
EE Rule	Energy Efficiency Rule, 16 TAC §§ 25.181, 25.182 and 25.183
EECRF	Energy Efficiency Cost Recovery Factor
EEPR	Energy Efficiency Plan and Report
EESP	Energy Efficiency Service Provider
EM&V	Evaluation, Measurement & Verification
EUMMOT	Electric Utility Marketing Managers of Texas
HTR SOP	Hard-to-Reach Standard Offer Program
LM SOP	Load Management Standard Offer Program
MTP	Market Transformation Program
NAP	Not Applicable
PLAN	Energy Efficiency Plan
PURA	Public Utility Regulatory Act
R&D	Research and Development
RSOP	Residential Standard Offer Program
SCORE MTP	Schools Conserving Resources Market Transformation Program
SOP	Standard Offer Program
SWEPCO	Southwestern Electric Power Company

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APPENDIX A:
REPORTED AND VERIFIED DEMAND AND ENERGY REDUCTION
BY COUNTY

County	Commercial Solutions MTP		Commercial SOP		Load Management SOP		Open MTP		SCORE MTP		Residential SOP		Hard-to-Reach SOP	
	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh
Bowie	52	265,818	719	4,183,310	954	16,219	59	282,985	170	704,021	62	143,879		
Camp	7	27,616			417	7,127					10	23,032		
Cass	10	39,089					32	139,588	50	251,889	132	277,347	55	107,962
Franklin											23	49,982		
Gregg	284	1,288,699	239	1,231,981	2,174	34,273	20	78,395	214	918,988	753	1,504,506	764	1,284,642
Hall	94	556,621	120	579,130	291	4,665	6	24,151			110	228,214	117	177,261
Harrison									44	85,770	0	1,939		
Marion											2	3,341		
Morris	40	154,658									6	13,778		
Panola	19	80,650	1	1,273			1	3,824			43	100,703	22	42,480
Rusk	23	64,140	112	551,601					19	112,360	27	51,242	209	424,517
Shelby	10	38,887	3	13,630			12	75,210			10	17,550	6	11,528
Smith											6	10,800		
Titus	7	27,845	41	190,406			124	448,582	13	73,743	14	28,954		
Upshur	10	44,263									52	173,051	16	26,277
Wood	2	10,818	8	29,290							11	46,270	6	9,431
Total	557	2,599,104	1,243	6,780,621	3,837	62,282	254	1,052,736	510	2,148,900 9	1,262	2,674,588	1,194	2,084,098

APPENDIX B:

PROGRAM TEMPLATES

SWEPCO does not have any program templates to provide.

APPENDIX C:

OPTIONAL SUPPORTING DOCUMENTATION

SWEPCO has no Optional Supporting Documentation to provide.